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To: **Mall Stop Appeal Brief- Patents**

Exam. JABR, Fadey S. GAU: 3639

Fax No.: (571) 273-8300

From: Martin F. Noonan

Date: January 16, 2007

Subject: Serial No.: 10/064,264

Pages: 26 (including this cover)

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Confirmation No. 1239
Our Docket # F-506Enclosed please find Appellant's Brief on Appeal in furtherance of the
November 16, 2006 Notice of Appeal.**CERTIFICATION OF FACSIMILE TRANSMISSION**I hereby certify that the following correspondence is being transmitted
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BOARD OF PATENT APPEALS AND INTERFERENCES

In re patent application of:) Date: January 16, 2007
Jason A. Gordon) Attorney Docket No.: F-506
Serial No.: 10/064,264) Customer No.: 00919
Filed: June 26, 2002) Group Art Unit: 3639
Confirmation No.: 1239) Examiner: Fadey S. Jabr
Title: SYSTEM AND METHOD FOR OPTIMIZING POSTAL RATES AND
DISCOUNTS

APPELLANT'S BRIEF ON APPEAL

Mail Stop Appeal Brief-Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

This is an appeal pursuant to 35 U.S.C. § 134 and 37 C.F.R. §§ 41.31 et seq. from the final rejection of claims 1-13 and 16-20 of the above-identified application mailed August 16, 2006. Claims 1-13 and 16-20 stand at least twice rejected. This Brief is in furtherance of the Notice of Appeal filed in this case on November 16, 2006. Accordingly, this brief is timely filed. The fee for submitting this Brief is \$500.00 (37 C.F.R. § 1.17(c)). The Commissioner is hereby authorized to charge any additional fees that may be required for this appeal or to make this brief timely or credit any overpayment to Deposit Account No. 16-1885.

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January 16, 2007 (Date)

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I. Real Party in Interest

The real party in interest in this appeal is Pitney Bowes Inc., a Delaware corporation, the assignee of this application.

II. Related Appeals and Interferences

There are no appeals or interferences known to Appellant, his legal representative, or the assignee that will directly affect or be directly affected by or have a bearing on the Board's decision in this appeal.

III. Status of Claims

Claims 1-13 and 16-20 are in the case and under final rejection of the Examiner.

Claim 19 is in the case and under final rejection of the Examiner and stands rejected under 35 U.S.C. § 112, second paragraph, as being allegedly indefinite for failing to particularly point out and distinctly claim the subject matter which Appellant regards as the invention.

Claims 1, 10 and 14-19 are in the case and under final rejection of the Examiner and stand rejected under 35 U.S.C. § 102(b) as allegedly being anticipated by US Patent No. 5,995,950 issued to Barns-Slavin et al. ("Barns-Slavin '950").

Claims 2-5, 8-9 and 11 are in the case and under final rejection of the Examiner and stand rejected under 35 U.S.C. § 103(a) as allegedly being rendered obvious by Barns-Slavin '950 and possibly in view of Official Notice.

Claims 12-13 and 20 are in the case and under final rejection of the Examiner and stand rejected under 35 U.S.C. § 103(a) as allegedly being rendered obvious by Barns-Slavin '950 in view of U.S. Patent No. 5,072,401 to Sansone et al. ("Sansone '401").

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Claims 6-7 are in the case and under final rejection of the Examiner and stand rejected under 35 U.S.C. 103(a) as allegedly being rendered obvious by Barns-Slavin '950 in view of U.S. Patent Pub. No. US2002/0107820 A1 by Huxter.

Appellant hereby appeals the rejection of claims 1-13 and 16-20.

IV. Status of Amendments

There are no amendments to the claims filed subsequently to the Final Office Action of August 16, 2006. Therefore, the claims set forth in Appendix A to this brief are those as set forth before the final rejection.

V. Summary of Claimed Subject Matter

This summary and references to specific paragraph numbers, figures and reference characters is not intended to supplant or limit the description of the claimed subject matter as provided in the claims as recited in Appendix A, as understood in light of the entire specification.

Appellant's invention as presently claimed is directed to a method and system for optimizing rates and discounts. A carrier utilizes historical or real time customer data to provide dynamic discounts. In illustrative embodiments of Appellant's invention, the dynamic discounts can be applied to all customers, to at least one targeted customer or to any customer on a first-come, first-served basis until a desired target is achieved. (Specification, paragraphs [0001], [0100])

An illustrative embodiment of Appellant's invention describes a mailing machine that includes a processor with a first memory for storing a primary rate database, a second memory for storing a temporary rate database, and a third memory for storing rating instruction data. The processor uses the rating instruction data to determine which rate database to use. The temporary rate data may have an expiration date or may be periodically cleared. (Specification, paragraph [0130])

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In an illustrative embodiment, the temporary rate and rate instruction databases include availability and qualification fields such as a beginning time and expiration time field. In this embodiment, both databases are stored in non-volatile memory and are interrogated by the mailing machine processor at appropriate times. The temporary rate will be used to override the corresponding default rate when it is available and qualified for use. In an alternative, the customer user is offered the choice of whether or not to use an available discount rate. (Specification, paragraph [0036])

In an alternative embodiment, the temporary rates may be offered on an individual or group basis that is not universally available to all users of the system. In that instance, the carrier maintains records for each customer offered them and addresses the temporary rate database to one or a group of particular mailing machines by utilizing identification data. (Specification, paragraph [0039])

In one such embodiment, Appellant's invention describes a method for a carrier to provide incentives to its customers to try to maximize system profitability and influence its customers to use the most cost effective and efficient rate classes on an individual basis. In this embodiment, customer usage data is stored by the customer's mailing machine. The customer usage data can then be analyzed by the carrier (e.g. postal authority) over an internet infrastructure to determine if it meets postal criteria for achieving a discount level for postage rates or a customer specific postal rate structure by analyzing the data using an algorithm approved by the postal authority. The results of the analysis algorithm can be immediately downloaded into the mailing machine providing a real time customization and/or optimization of the postal rate structure within the customer's mailing machine. (Specification, paragraphs [0121], [0122])

One alternative of this embodiment describes the creation of customer specific postal discounts through the modification of their rate structure on a real time basis. Customer usage data is recorded and analyzed over a period of time. An algorithm or set of rules is used to determine if a customer is eligible for discounts in their postal rates. The discounts may be implemented in a number of ways, not limited to a flat percentage discount across all rate classes, a discount in one or more specific rate classes (incentives to utilize classes of mail more often), time sensitive discounts for rates (ability to run the same rate class of

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mail at a discounted rate before 12:00 p.m.), or completely customer specific postal rates intended to optimize postal revenue. The algorithm can be changed over time, as the postal authority needs change. The discounts can be analyzed at any interval (either real time or with a specific periodicity) specified by the postal authority and modified (increased or decreased per the rules of the algorithm). Feedback is provided to inform both the customer and the postal authority of the changes to their rate structure. (Specification, paragraph [0123])

Feedback in the form of the utilization of the discounts/rate modifications can be used by the postal authority. The postal authority can develop metrics relating to effectiveness for specific marketing campaigns, load balancing programs and work-sharing efforts. The postal authority may also determine sensitivities for changes to the rate structure using pricing algorithms. The postal authority could monitor whether the desired behavior was induced and if not, the postal authority could then decide to offer an even greater discount in an iterative process until the desired result is reached. If the discount is not effective, it could be removed. (Specification, paragraphs [0099], [0124])

As can be appreciated from the description of these various embodiments, the temporary rate and classification database uses a discount rate database. However, in an alternative to these embodiments, certain rates may be dynamically increased. Such an increase may be used to dissuade customers from unnecessarily using the carrier during peak times. For example, in a postal application, the First Class 1 ounce standard size rate during the Christmas peak season could be increased from \$0.37 to \$0.40 for the week before Christmas. (Specification, paragraph [0041])

In view of the above, independent claim 1 recites a mailing machine that comprises "a processor" (see Fig. 1A, item 11 and the corresponding description in paragraph [0034]); "a first memory portion operatively connected to the processor for storing a primary rate database" (see Fig. 1A, item 12 and the corresponding description in paragraphs [0034], [0035], [0036] and [0130]); "a second memory portion operatively connected to the processor for concurrently storing temporary rate data" (see Fig. 1A, item 12 and the corresponding description in paragraphs [0034], [0035], [0036] and [0130]); "a third memory portion operatively connected to the processor for storing rating instruction data" (see Fig.

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1A, item 12 and the corresponding description in paragraphs [0034], [0035], [0036] and [0130]); "wherein the processor determines a rate applicability determination using the rating instruction data, the primary rate database and the temporary rate data" (see description in paragraphs [0036] [0039], [0040], [0046], and [0130]).

Independent claim 10 recites a mailing machine that comprises a "means for processing instructions and data" (see Fig. 1A, item 11 and the corresponding description in paragraph [0034]); "a first memory means for storing a primary rate database for access by the processing means" (see Fig. 1A, item 12 and the corresponding description in paragraphs [0034], [0035], [0036] and [0130]); "a second memory means for concurrently storing temporary rate data for access by the processing means" (see Fig. 1A, item 12 and the corresponding description in paragraphs [0034], [0035], [0036] and [0130]); "a third memory means for storing rating instruction data for access by the processing means" (see Fig. 1A, item 12 and the corresponding description in paragraphs [0034], [0035], [0036] and [0130]); and "wherein the processing means includes means for determining a rate applicability determination using the rating instruction data, the primary rate database and the temporary rate data" (see description in paragraphs [0036] [0039], [0040], [0046], and [0130]).

Dependent claim 11 recites the mailing machine of claim 10 further comprising "a fourth memory means for storing usage data for access by the processing means" (see Fig. 1A, item 12 and the corresponding description in paragraphs [0034], [0035], and [0130]); and "wherein the processing means includes means for determining a rate determination using the rating instruction data and usage data and for determining a rate applicability determination using the rate determination and the primary rate database" (see description in paragraphs [0046] and [0130]).

Independent claim 12 recites a method for dynamically changing rating information for at least one customer that comprises "receiving customer usage data for a plurality of customers" (see Figure 3, Figure 7A, step 710, and corresponding description in paragraph [0069]); see also description in paragraphs [0039], [0044], [0046]); "receiving customer data for a plurality of customers" (see Figure 3, Figure 7A, step 710, and corresponding description in paragraph [0069]); "obtaining logistics data for a mailing logistics system" (see

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Figure 5, and corresponding description in paragraphs [0095] and [0096]); "determining desired volume changes by class" (see Figure 3, Figure 7A, step 714, and corresponding description in paragraph [0076]); "targeting at least one customer having a mailing machine for a discount in the class" (see Figure 3, Figure 7A, step 716, and corresponding description in paragraph [0070]); "creating a temporary rate database" (see Figure 7B, step 754, and corresponding description in paragraph [0115]); and "sending the temporary rate database to the mailing machine" (see Figure 3, Figure 7A, step 718, and corresponding description in paragraph [0071]).

Independent claim 16 recites a method for determining targeted incentives using a carrier information system having feedback that comprises "obtaining customer usage and customer data" (see Figure 3, Figure 7B, step 752, and corresponding description in paragraph [0109]); "determining whether offering an incentive is desired" (see Figure 3, Figure 7B, step 754, and corresponding description in paragraphs [0112], [0113], [0114] and [0115]); "determining whether a customer is eligible for the incentive" (see Figure 3, Figure 7A, step 714, and corresponding description in paragraph [0076]); "offering the customer the incentive" (see Figure 3, Figure 7B, step 760, and corresponding description in paragraph [0116]); "obtaining incentive related usage data" (see Figure 3, Figure 7B, step 752, and corresponding description in paragraph [0109]); and "analyzing the incentive related usage data to determine effectivity, determining whether to modify the incentive" (see Figure 3, Figure 7B, steps 762 and 764, and corresponding description in paragraph [0117]).

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Our Attorney Docket No. F-506**VI. Grounds of Rejection to be Reviewed on Appeal**

A. Whether the subject matter defined in Claim 19 is indefinite under 35 U.S.C. § 112, second paragraph, for failing to particularly point out and distinctly claim the subject matter which Appellant regards as the invention.

B. Whether the subject matter in Claims 1, 10 and 14-19 is anticipated under 35 U.S.C. § 102(b) by Barns-Slavin '950.

C. Whether the subject matter in Claims 2-5, 8-9 and 11 is rendered obvious under 35 U.S.C. § 103(a) by Barns-Slavin '950 and possibly in view of Official Notice.

D. Whether the subject matter in Claims 12-13 and 20 is rendered obvious under 35 U.S.C. § 103(a) by Barns-Slavin '950 in view of Sansone '401.

E. Whether the subject matter in Claims 6-7 is rendered obvious under 35 U.S.C. § 103(a) by Barns-Slavin '950 in view of U.S. Patent Pub. No. US2002/0107820 A1 by Huxter.

VII. Argument

As Appellants discusses in detail below, the final rejection of Claims 1-13 and 16-20 is devoid of any factual or legal premise that supports the position of unpatentability. It is respectfully submitted that the rejection does not even meet the threshold burden of presenting a prima facie case of unpatentability. For this reason alone, Appellants are entitled to grant of a patent. In re Oetiker, 24 U.S.P.Q.2d 1443, 1444 (Fed. Cir. 1992).

A. Claim 19 is patentable under 35 U.S.C. § 112

Claim 19 is in the case and under final rejection of the Examiner under 35 U.S.C. § 112, second paragraph as allegedly failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Appellant respectfully disagrees with the rejection and urges its reversal for at least the reasons stated below.

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The Examiner rejected Claim 19 as allegedly being vague and indefinite for the recitation of the phrase "the incentive is a penalty." The Examiner further stated that it was "unclear to the Office what the Applicant means by incentive." Contrary to the Examiner's position, the phrase "the incentive is a penalty" would be clear to one skilled in the art in view of the Specification. Paragraph 42 of the Specification states:

As can be appreciated from the description of the various embodiments, the secondary rate and classification database is described in its preferred embodiment as a discount rate database. However, in an alternative to the embodiments, certain rates may be dynamically increased. Such an increase may be used to dissuade customers from unnecessarily using the mailing channel during peak times. For example, the First Class 1 once standard size rate during the Christmas peak season could be increased from \$0.37 to \$0.40 for the week before Christmas. (emphasis added)

Furthermore, Appellant describes an embodiment of the present invention which creates customer specific postal discounts through the modification of the customer's rate structure on a real time basis. In describing that embodiment, the Appellant in paragraphs 121, 122 and 125 of the Specification (respectively) states the following:

The system described creates a new method for a postal authority to provide incentives to the customer population to try to maximize postal system profitability and influence their customers to use the most cost effective and efficient rate classes on an individual basis. (emphasis added)

The usage data from the postage meter can be analyzed over an internet infrastructure to determine if it meets a postal criteria for achieving a discount level for postage rates or a customer specific postal rate structure by analyzing the data using an algorithm approved by the postal authority. The results of the analysis algorithm can be immediately downloaded into the mailing machine providing a real time customization and/or optimization of the postal rate structure within a mailing machine.

The output of the algorithm determines if that customer requires a change to their rate structure. The change to the postal rate structure can be the granting of one or more discounts, the removal of one or more discounts, a penalty, or a combination thereof. (emphasis added)

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Thus, the invention as presently claimed in Claim 19 would be understood by one of ordinary skill in the art to teach using a penalty as an incentive and complies with 35 U.S.C. § 112, second paragraph.

B. Claims 1, 10 and 14-19 are patentable under 35 U.S.C. § 102(b)

To establish anticipation of the claims under § 102(b), the Examiner is required to show that every element or step of the claim is found in a single reference. "To anticipate a claim, a reference must disclose every element of the challenged claim and enable one skilled in the art to make the anticipating subject matter." PPG Indus., Inc. v. Guardian Indus. Corp., 75 F.3d 1558, 1566, 37 U.S.P.Q.2D (BNA) 1618, 1624 (Fed. Cir. 1996).

1. Claims 1 and 10 are patentable under 35 U.S.C. § 102(b)

Claims 1 and 10 are in the case and under final rejection of the Examiner and stand rejected under 35 U.S.C. § 102(b) as allegedly anticipated by Barns-Slavin '950. Appellants respectfully disagree with the rejection and urges its reversal for at least the reasons stated below.

Barns-Slavin '950 describes a carrier management system wherein discounted shipping charges are determined for groups of parcels that are shipped to a single consignee. See Barns-Slavin '950, col. 1, lines 10-14. The carrier management system of Barns-Slavin '950 uses two memories. See Barns-Slavin '950, col. 2, lines 20-48. One memory stores both the single piece rates and the group discount rates. The other memory stores predetermined requirements that are used to determine if the discount rates should be applied to a group of parcels that are being shipped to a single consignee. See Barns-Slavin '950, col. 3, lines 37-44.

Barns-Slavin '950 does not teach, disclose or suggest using separate memory portions "for storing a primary rate database" and "for concurrently storing temporary rate data," as is recited in Claim 1. The Examiner fails to appreciate that the present invention teaches a mailing machine that has the flexibility to store both primary and temporary rates concurrently. The Examiner mistakenly states that "Barns-Slavin discloses a second

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memory portion which stores rate data that can be updated from time to time." On the contrary, Barns-Slavin only discloses that the entire memory that stores the rate data (including both the single piece rates and the group discount rates) and the predetermined requirements can be updated from time to time. There is no teaching, disclosure or suggestion that separate and distinct portions of the memory for storing rate data in Barns-Slavin '950 can be updated independently to create a primary and a temporary rate database. As such, Barns-Slavin '950 does not teach, disclose or suggest using separate memories to store the primary rate database and the temporary rate data.

Therefore, Applicant respectfully submits that Barns-Slavin '950 does not teach, disclose or suggest at least the following underlined portions of Claims 1 and 10:

1. A mailing machine comprising:
 - a processor;
 - a first memory portion operatively connected to the processor for storing a primary rate database;
 - a second memory portion operatively connected to the processor for concurrently storing temporary rate data;
 - a third memory portion operatively connected to the processor for storing rating instruction data; and
 - wherein the processor determines a rate applicability determination using the rating instruction data, the primary rate database and the temporary rate data.
10. A mailing machine comprising:
 - means for processing instructions and data;
 - a first memory means for storing a primary rate database for access by the processing means;
 - a second memory means for concurrently storing temporary rate data for access by the processing means;
 - a third memory means for storing rating instruction data for access by the processing means; and
 - wherein the processing means includes means for determining a rate applicability determination using the rating instruction data, the primary rate database and the temporary rate data.

As such, it is clear that each element of Claims 1 and 10 is not anticipated and the Examiner has not presented a prima facie anticipation rejection. The prior art cited does not

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teach or suggest either (i) a second memory portion for concurrently storing temporary rate data; or (ii) determining a rate applicability determination using the temporary rate data.

2. Claims 16 and 19 are patentable under 35 U.S.C. § 102(b)

Claims 16 and 19 are in the case and under final rejection of the Examiner and stand rejected under 35 U.S.C. § 102(b) as allegedly anticipated by Barns-Slavin '950. Appellant respectfully disagrees with the rejection and urges its reversal for at least the reasons stated below.

Barns-Slavin '950 describes a carrier management system that uses predetermined requirements to determine if a discount should be applied to a rate database for a group of parcels that are being shipped to a single consignee. See Barns-Slavin '950, col. 2, lines 20-48. Barns-Slavin does not teach, disclose or suggest obtaining or using incentive related usage data to determine the effectivity of the discount or whether the discount should be modified based on the incentive usage data.

Barns-Slavin does not teach, disclose or suggest "obtaining incentive related usage data and analyzing the incentive related usage data to determine the effectivity, determining whether to modify the incentive" as is recited in Claim 16. The Examiner fails to appreciate that the present invention teaches a method for (i) analyzing the incentive related usage data to determine the effectivity of the incentive; and (ii) determining whether to modify the incentive based on the effectivity. Instead, the Examiner states "Barns-Slavin discloses the data processor compares the discounted shipping cost with shipping costs for the parcels in the group considered as separate items and processes each parcel of the group as a separate item. Therefore, if the usage data or amount of parcels do not meet certain usage criteria the discount is not received. Moreover, Barns-Slavin discloses redetermining the discounted shipping cost if the group still meets the predetermined usage criteria (c.2, lines 57-67)." See Final Amendment, paragraph 6. The Examiner appears to be focusing on the portion of Barns-Slavin '950 that determines whether the discounted rates will apply to a group of parcels and not (i) whether the usage data of the discounted rates will be obtained

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and analyzed to determine the effectivity of the discounted rates; and (ii) whether to modify the discounted rates.

Therefore, Applicant respectfully submits that Barns-Slavin '950 does not teach, disclose or suggest at least the following underlined portions of Claim 16 (and Claim 19 which depends on Claim 16):

16. A method for determining targeted incentives using a carrier information system having feedback comprising:
- obtaining customer usage and customer data;
 - determining whether offering an incentive is desired;
 - determining whether a customer is eligible for the incentive;
 - offering the customer the incentive;
 - obtaining incentive related usage data; and
 - analyzing the incentive related usage data to determine effectivity,
 - determining whether to modify the incentive.

As such, it is clear that each element of Claims 16 and 19 is not anticipated and the Examiner has not presented a prima facie anticipation rejection. The prior art cited does not teach or suggest either (i) obtaining incentive related usage data; or (ii) analyzing the incentive related usage data to determine effectivity and determining whether to modify the incentive. Furthermore, at least the highlighted elements of claim 16 presented above are not in any way addressed by the Examiner's rejection.

3. Claim 17 is patentable under 35 U.S.C. § 102(b)

Claim 17 is in the case and under final rejection of the Examiner and stands rejected under 35 U.S.C. § 102(b) as allegedly anticipated by Barns-Slavin '950. Appellant respectfully disagrees with the rejection and urges its reversal for at least the reasons stated below.

Appellant respectfully submits that Claims 17 is dependent on Claim 16 and is therefore patentable over Barns-Slavin '950 for at least the reasons described above with reference to Claim 16.

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4. Claim 18 is patentable under 35 U.S.C. § 102(b)

Claim 18 is in the case and under final rejection of the Examiner and stands rejected under 35 U.S.C. § 102(b) as allegedly anticipated by Barns-Slavin '950. Appellant respectfully disagrees with the rejection and urges its reversal for at least the reasons stated below.

There is no disclosure, teaching or suggestion in Barns-Slavin '950 of a "time based discount" as is recited in Claim 18. The Examiner states that Barns-Slavin '950 discloses a "time based discount for at least one particular class of mail" and explains that "'time-based discount' taken in its broadest reasonable interpretation is discounts allowed only after a certain cumulative total dollar amount, number of pieces, or weight have been shipped using a particular class of service." See Final Amendment, Paragraphs 8 and 17. However, the discounts described by the Examiner are volume discounts (in terms of either dollars, pieces or weight) and not time-based. Barns-Slavin does not even teach, disclose or suggest a time-based threshold for changing discounted rates.

The Examiner also mistaken relies on the fact that Barns-Slavin '950 discloses that the memory that stores the rate data (including both the single piece rates and the group discount rates) can be updated from time to time. Barns-Slavin '950, however, does not teach, disclose or suggest that the group discounts are a "time based discount," only that the memory that stores the group discounts can be replaced from time to time.

As such, it is clear that each element of Claim 18 is not anticipated and the Examiner has not presented a prima facie anticipation rejection. The prior art cited does not teach or suggest either a time based discount or a time based threshold for changing rates.

C. Claims 2-5, 8-9 and 11 are patentable under 35 U.S.C. § 103(a)

Claims 2-5, 8-9 and 11 are under final rejection of the Examiner and stand rejected under 35 U.S.C. § 103(a) as allegedly being rendered obvious by Barns-Slavin '950 and possibly in view of Official Notice.

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In rejecting a claim under 35 U.S.C. §103, the Examiner is charged with the initial burden for providing a factual basis to support the obviousness conclusion. *In re Warner*, 379 F.2d 1011, 154 USPQ 173 (CCPA 1967); *In re Lunsford*, 375 F.2d 385, 148 USPQ 721 (CCPA 1966); *In re Freed*, 425 F.2d 785, 165 USPQ 570 (CCPA 1970). The Examiner is also required to explain how and why one having ordinary skill in the art would have been led to modify an applied reference and/or combine applied references to arrive at the claimed invention. *In re Ochiai*, 37 USPQ2d 1127 (Fed. Cir. 1995); *In re Deuel*, 51 F.3d 1552, 34 USPQ 1210 (Fed. Cir. 1995); *In re Fritch*, 972 F.2d 1260, 23 USPQ 1780 (Fed. Cir. 1992); *Uniroyal, Inc. v. Rudkin-Wiley Corp.*, 837 F.2d 1044, 5 USPQ2d 1434 (Fed. Cir. 1988). In establishing the requisite motivation, it has been consistently held that both the suggestion and reasonable expectation of success must stem from the prior art itself, as a whole. *In re Ochiai*, supra; *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991); *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988); *In re Dow Chemical Co.*, 837 F.2d 469, 5 USPQ2d 1529 (Fed. Cir. 1988).

Initially, Appellant does not discern any statement of Official Notice in the Final Office Action. Appellant respectfully disputes any such notice or implicit inherency argument to the extent intended.

In the Final Office Action, the Examiner rejected dependent claims 2-5, 8-9 and 11 under 35 U.S.C. section 103(a). Appellant respectfully submits that Claims 2-5 and 8-9 are dependent on Claim 1 (and any intervening claims) and are therefore patentable over Barns-Slavin '950 for at least the reasons described above with reference to Claim 1. Appellant also respectfully submits that Claim 11 is dependent on Claim 10 and is therefore patentable over Barns-Slavin '950 for at least the reasons described above with reference to Claim 10.

Accordingly, the Examiner has failed to establish a prima facie case for an obviousness rejection. Appellants respectfully submit that claims 2-5, 8-9 and 11 are patentable over the available cited references and that the final rejection is in error and should be reversed.

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D. Claims 12-13 and 20 are patentable under 35 U.S.C. § 103(a)

Claims 12-13 and 20 are under final rejection of the Examiner and stand rejected under 35 U.S.C. § 103(a) as allegedly being rendered obvious by Barns-Slavin '950 in view of Sansone '401. In the Final Office Action, the Examiner rejected dependent claims 12-13 and 20 under 35 U.S.C. section 103(a). Appellant respectfully disagrees with the rejection and urges its reversal for at least the reasons stated below.

Claim 12 is directed to a method for dynamically changing rating information for at least one customer and is shown below:

1. A method for dynamically changing rating information for at least one customer comprising:
receiving customer usage data for a plurality of customers;
receiving customer data for a plurality of customers;
obtaining logistics data for a mailing logistics system;
determining desired volume changes by class;
targeting at least one customer having a mailing machine for a discount in the class;
creating a temporary rate database; and
sending the temporary rate database to the mailing machine.

Appellant respectfully urges reversal for at least the following reasons. Even if the references were deemed to be properly combined, the combination does not render the invention as presently claimed obvious. For example, there is also no disclosure, teaching or suggestion in the cited references for "receiving customer data for a plurality of customers," as is recited in claim 12.

Although the Examiner admits that Barns-Slavin '950 does not disclose "receiving customer data for a plurality of customers," the Examiner argues that "Barns-Slavin et al. [sic] discloses receiving usage data of a customer (Col. 2, lines 7-10). Therefore, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the mailing machine of Barns-Slavin et al. and include receiving usage data from a plurality of customers, because it provides an easily implemented and flexible system for determining discounted shipping charges for uses." See Final Office Action, Paragraph 20. However, Barns-Slavin '950 is directed to a "system wherein discounted shipping charges

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can be determined for groups of parcels to be shipped to a single consignee" from a single shipper/operator. See Barns-Slavin '950, col. 1, lines 12-15; and col. 2, lines 20-67. The carrier management system in Barns-Slavin '950 can offer such group discounts for parcels being shipped from a single shipper to a single consignee because all the parcels can be shipped together at a reduced cost to the carrier. This cost reduction would not be achieved by shipping parcels from a plurality of shippers to a single consignee because the parcels could not be shipped together. Therefore, contrary to the Examiner's claim, one of ordinary skill in the art at the time of Appellant's invention would not have modified the mailing machine of Barns-Slavin '950 to include receiving usage data from a plurality of customers.

Furthermore, there is also no disclosure, teaching or suggestion in Barns-Slavin '950 for "creating a temporary rate database" as recited in claim 12. On the contrary, Barns-Slavin only discloses that the memory that stores the rate data (including both the single piece rates and the group discount rates) can be updated from time to time. There is no teaching, disclosure or suggestion that separate and distinct portions of the memory in Barns-Slavin '950 can be updated independently to create a temporary rate database.

Appellant respectfully submits that Claims 13 is dependent on Claim 12 and is therefore patentable over the cited references for at least the reasons described above with reference to Claim 12. Appellant also respectfully submits that Claim 20 is dependent on Claim 16 and is therefore patentable over the cited references for at least the reasons described above with reference to Claim 16.

Accordingly, the Examiner has failed to establish a prima facie case for an obviousness rejection. Appellants respectfully submit that claims 12-13 and 20 are patentable over the available cited references and that the final rejection is in error and should be reversed.

E. Claims 6-7 are patentable under 35 U.S.C. § 103(a)

Claims 6-7 are under final rejection of the Examiner and stands rejected under 35 U.S.C. § 103(a) as allegedly being rendered obvious by Barns-Slavin '950 in view of U.S. Patent Pub. No. US2002/0107820 A1 by Huxter.

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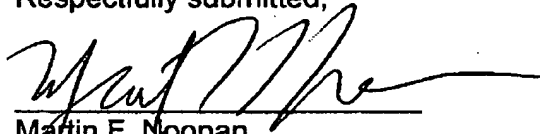
In the Final Office Action, the Examiner rejected dependent claims 6-7 under 35 U.S.C. section 103(a). Appellant respectfully submits that Claims 6-7 are dependent on Claim 1 (and any intervening claims) and are therefore patentable over the cited references for at least the reasons described above with reference to Claim 1.

Accordingly, the Examiner has failed to establish a prima facie case for an obviousness rejection. Appellants respectfully submit that claims 6-7 are patentable over the available cited references and that the final rejection is in error and should be reversed.

VIII. Conclusion

In conclusion, Appellant respectfully submits that the final rejection of claims 1-13 and 16-20 is in error for at least the reasons given above and should, therefore, be reversed.

Respectfully submitted,



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Attachment - Appendix A – Claims Appendix (4 pages)
Appendix B – Evidence Appendix (1 page)
Appendix C – Related Proceedings Appendix (1 page)

APPENDIX A - CLAIMS APPENDIX

1. A mailing machine comprising:
 - a processor;
 - a first memory portion operatively connected to the processor for storing a primary rate database;
 - a second memory portion operatively connected to the processor for concurrently storing temporary rate data;
 - a third memory portion operatively connected to the processor for storing rating instruction data; and
 - wherein the processor determines a rate applicability determination using the rating instruction data, the primary rate database and the temporary rate data.
2. The mailing machine of claim 1 further comprising:
 - a fourth memory portion operatively connected to the processor for storing usage data; and
 - wherein the processor determines a rate determination using the rating instruction data and usage data and determines a rate applicability determination using the rate determination and the primary rate database.
3. The mailing machine of claim 2 wherein:
 - the temporary rate data comprises a temporary rate database having expiration data; and
 - wherein the processor determines a rate applicability determination further using the temporary rate database.
4. The mailing machine of claim 3 wherein,
 - a portion of the rate applicability determination is received from an external processor and stored in the temporary rate database.

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5. The mailing machine of claim 2 further comprising:
a fifth memory portion operatively connected to the processor for storing customer data.
6. The mailing machine of claim 5 wherein:
at least a portion of the customer data is obtained utilizing a cookie.
7. The mailing machine of claim 4 wherein:
at least a portion of the customer data is obtained utilizing a cookie; and
at least a portion of the rate determination is received from an external processor that received the cookie.
8. The mailing machine of claim 2 wherein:
the temporary rate data is cleared periodically.
9. The mailing machine of claim 8 wherein:
the period for clearing the temporary rate data is every 24 hours.
10. A mailing machine comprising:
means for processing instructions and data;
a first memory means for storing a primary rate database for access by the processing means;
a second memory means for concurrently storing temporary rate data for access by the processing means;
a third memory means for storing rating instruction data for access by the processing means; and
wherein the processing means includes means for determining a rate applicability determination using the rating instruction data, the primary rate database and the temporary rate data.

11. The mailing machine of claim 10 further comprising:
a fourth memory means for storing usage data for access by the processing means;
and
wherein the processing means includes means for determining a rate determination using the rating instruction data and usage data and for determining a rate applicability determination using the rate determination and the primary rate database.

12. A method for dynamically changing rating information for at least one customer comprising:
receiving customer usage data for a plurality of customers;
receiving customer data for a plurality of customers;
obtaining logistics data for a mailing logistics system;
determining desired volume changes by class;
targeting at least one customer having a mailing machine for a discount in the class;
creating a temporary rate database; and
sending the temporary rate database to the mailing machine.

13. The method of claim 12 further comprising:
receiving data relating to customer usage of the discount; and
determining whether to adjust the discount.

14-15. (canceled)

16. A method for determining targeted incentives using a carrier information system having feedback comprising:
obtaining customer usage and customer data;
determining whether offering an incentive is desired;
determining whether a customer is eligible for the incentive;

offering the customer the incentive;
obtaining incentive related usage data; and
analyzing the incentive related usage data to determine effectivity, determining
whether to modify the incentive.

17. The method of claim 16 wherein:
the customer usage data is obtained from a mailing machine.
18. The method of claim 16 wherein:
the incentive is a time based discount for at least one particular class of mail.
19. The method of claim 16 wherein:
the incentive is a penalty.
20. The method of claim 16 wherein:
determining whether an incentive is desired includes, analyzing historical usage data,
analyzing partial period usage data, forecasting capacity demands and targeting at least
one customer likely to require the applicable mailing services to be discounted.

APPENDIX B - EVIDENCE APPENDIX

There is no evidence submitted pursuant to §§ 1.130, 1.131 or 1.132 or any other evidence entered by the Examiner and relied upon by the Appellant in the appeal.

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APPENDIX C – RELATED PROCEEDINGS APPENDIX

There are no appeals or interferences known to Appellant, their legal representative, or the assignee that will directly affect or be directly affected by or have a bearing on the Board's decision in this appeal.